RAILROAD COMMISSION OF TEXAS OFFICE OF GENERAL COUNSEL HEARINGS SECTION

OIL AND GAS DOCKET NO. 08-0277310 IN THE SPRABERRY (TREND AREA) FIELD, DAWSON COUNTY, TEXAS

FINAL ORDER
APPROVING THE APPLICATION OF PIONEER NATURAL RES. USA, INC.
FOR EXCEPTION TO STATEWIDE RULE 32 FOR THE
STEPHENS 8 LEASE, WELL NO. 1
SPRABERRY (TREND AREA) FIELD
DAWSON COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on August 23, 2012, the presiding examiners have made and filed a report and recommendation containing findings of fact and conclusions of law, for which service was not required; that the proposed application is in compliance with all statutory requirements; and that this proceeding was duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas.

The Commission, after review and due consideration of the examiners' report and proposal for decision, the findings of fact and conclusions of law contained therein, and any exceptions and replies thereto, hereby adopts as its own the findings of fact and conclusions of law contained therein, and incorporates said findings of fact and conclusions of law as if fully set out and separately stated herein.

Therefore, it is **ORDERED** by the Railroad Commission of Texas that Pioneer Natural Res. USA, Inc. is hereby granted an exception to Statewide Rule 32 for the Stephens 8 Lease, Well No. 1 (API No. 42-115-33392), in the Spraberry (Trend Area) Field, Dawson County, Texas. Pioneer Natural Res. USA, Inc. is authorized to flare up to 50 MCFGPD from its Stephens 8 Lease, Well No. 1, for a period not to exceed 12 months from June 1, 2012. The authority is granted, provided all production is reported on the appropriate Commission forms.

The operator shall file the Statewide Rule 32 Exception Data Sheet and, shall file at the same time, the appropriate Commission required administrative Statewide Rule 32 Exception gas flaring fee.

Done this 2nd day of October, 2012.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by OGC Unprotested Master Order dated October 2, 2012)